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State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

September 14, 2012

Ann Wardell
Skyview Excavation and Grading, Inc.
PO Box 726
Morgan, Utah 84050

Subject: Permit to Commence Small Mine Activities, Reclamation Surety and Cultural Resource Survey Required, Skyview Excavating and Grading, Inc., Skyview Pit #2, S/047/0109, Uintah County, Utah

Dear Ms. Wardell:

The Division of Oil, Gas and Mining finds your Notice of Intention to Commence Small Mining Operations (Notice) complete and approves the reclamation surety for the Skyview Pit #2 mine. The surety is escalated until 2017. You are now permitted to conduct mining activities as outlined in the Notice provided you have approval from all other appropriate agencies. The approval or acceptance of a complete notice of intention does not relieve an operator from his responsibility to comply with the applicable statutes, rules, regulations, and ordinances of all local, state and federal agencies with jurisdiction over any aspect of the operator's mining operations. Enclosed please find a copy of the reclamation contract and stamped approved Notice.

The reclamation surety was calculated as shown in the following table. This calculation had been sent by e mail to expedite the permitting process.

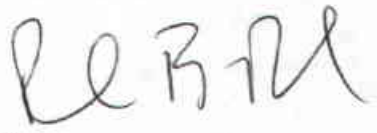
Small Mine Operation Bond Calculation Worksheet S/047/0109			
5-year escalation (2017)			
Item	Qty	Unit Cost	Total Cost
1st Acre Disturbance	1	\$8,100.00	\$8,100.00
Add'l Acres Disturbance	9	\$4,900.00	\$44,100.00
Add'l equipment mob (over 5 acres)		\$3,000.00	\$0.00
TOTAL	10		\$52,200.00

Please keep in mind the following regulatory requirements:

- An additional cultural resources survey will be required prior to additional disturbance outside of the area of the original survey which was completed for SITLA lease MP-501.
- Stockpiling topsoil material prior to beginning activities will help ensure successful revegetation. Even the first few inches of undeveloped material is worth saving to aid in later revegetation efforts, and future regulatory surety release.
- If you encounter any archaeological or historical items, you are asked to notify this office and the Division of State History.
- Permit fees and annual reports are due by January 31st.

The Division's web page at <http://ogm.utah.gov> under the Mining Program has a link to the rules under which you are expected to operate and to other information to assist you in complying with program requirements. Thank you for your cooperation. In reply, please refer to file number S/047/0109. If you have questions or concerns regarding this letter, please contact Paul Baker at 801-538-5261 or Leslie Heppler at 801-538-5257.

Sincerely,


for Dana Dean, P.E.
Associate Director, Mining

DD: lah: eb

Enclosure: Copy of RC & surety forms

Copy of approved NOI

cc: JBlake@utah.gov MCazier@co.untah.ut.us

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